

Contra Costa County Economic Forecast

Alameda and Contra Costa Counties define the Oakland Metropolitan Statistical Area (MSA) that is frequently used to report economic activity. The region currently has a population of 2.5 million residents. Total employment in mid-2003 stood at 1.04 million wage and salary workers. The creation of jobs in the region turned negative in 2002, falling 1.2 percent. Job growth, however, remained positive in Contra Costa County.

Contra Costa County boasts relatively high per capita income, averaging \$40,000 per resident in 2002. The unemployment rate in 2002 was 5.5 percent, up sharply from the 3.7 percent recorded in 2001.

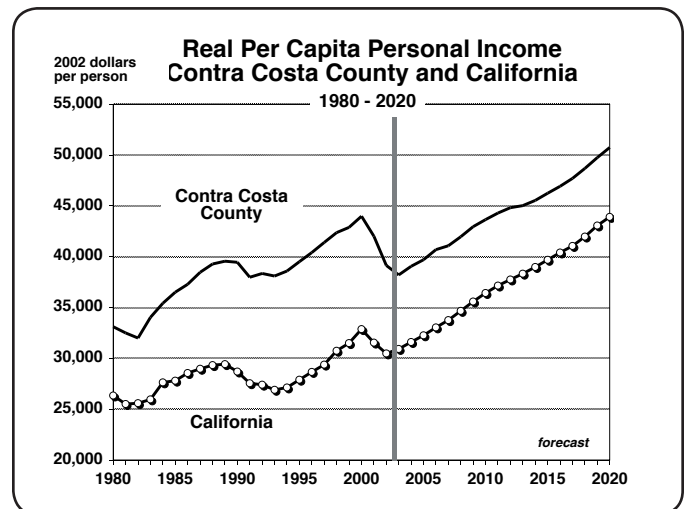
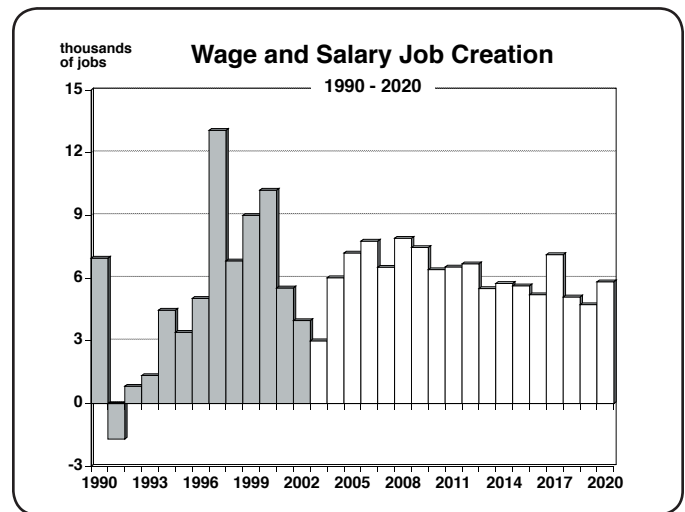
Concord followed by Richmond are the largest cities in the county, and neither is growing much anymore. Population growth rates were quite austere between 2002 and 2003, at less than 0.5 percent. Pittsburg and Brentwood are currently the fastest growing cities. Growth in Contra Costa County produced a net gain in population of 12,300 people in 2002.

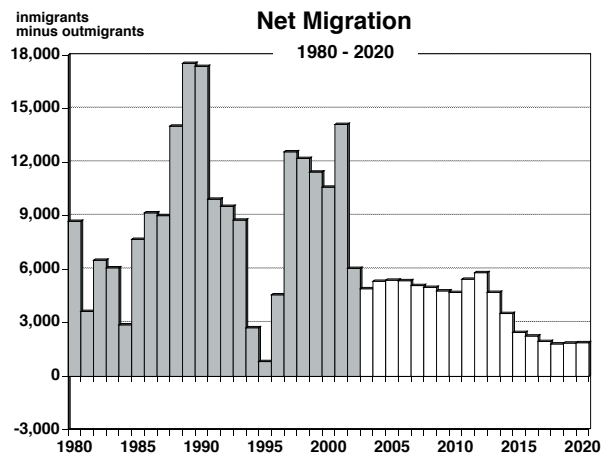
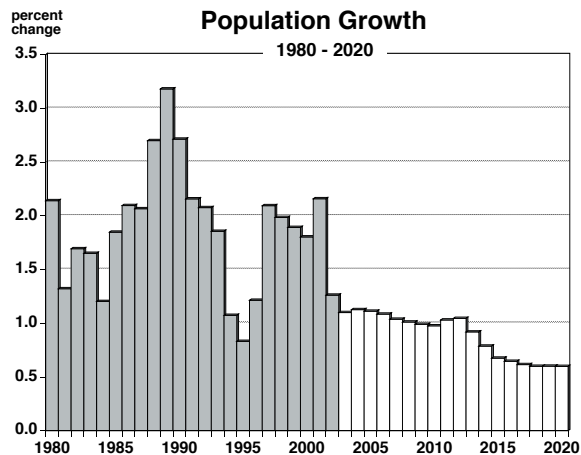
The services sector of Contra Costa County is the principal creator of jobs. Personal, household, professional, and healthcare employment has been rising steadily in the county. The retail sector remains healthy, despite the general economic weakness of the Bay Area economy. State government employment, especially pertaining to education, continues to expand.

The general outlook for the production of housing calls for approximately 5,500 units per year. The median home selling price in the county was \$524,740 in 2002. Over the next 5 years, home prices are forecast to rise an average of 3.3 percent per year, adjusted for inflation.

Forecast Highlights

- Non-farm job growth is forecast to rise marginally in 2003. Job creation will accelerate, to 1.6 percent in 2004, and 1.9 percent in 2005. The compound rate of job growth averages 2.0 percent between 2003 and 2008.
- Service sector employment in the county will dominate job creation in the future, with 63 percent of all jobs created over the next 5 years. Jobs will concentrate in healthcare, professional services, private education services, and personal services.
- Real per capita incomes increase an average of 1.1 percent per year over the next 5 years in the county. This rate of growth is significantly faster than the average 0.5 percent per year that prevailed between 1997 and 2002. The population ages faster in the county, particularly in the 45 to 64 year old age cohort, which will comprise 28 percent of the total population by the end of the decade.
- Population growth is forecast to slow to 1.1 percent growth over the next 5 years. Migration represents a much greater influence on population growth in Contra Costa than neighboring Alameda County.





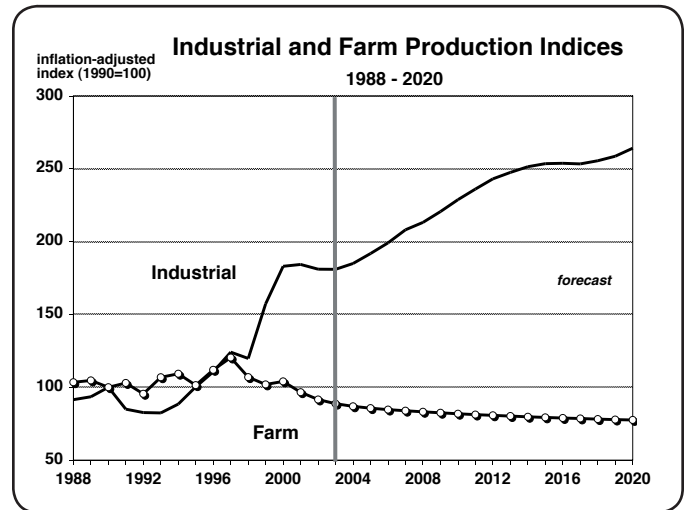
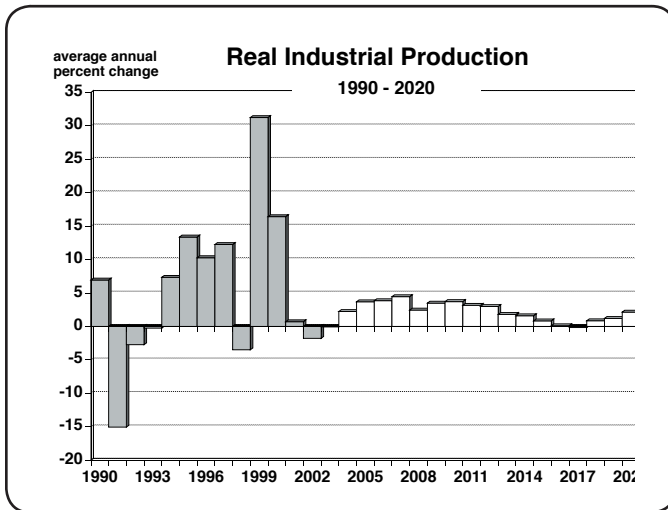
Contra Costa County Economic Forecast

1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (billions)
1995	872,800	829	729	319.5	3,354	\$5.6	\$27.1	\$39,524	\$74.7	\$10
1996	883,400	4,569	742	322.5	3,552	\$5.9	\$28.7	\$40,422	\$84.4	\$11
1997	901,900	12,576	714	325.7	3,514	\$6.6	\$31.0	\$41,414	\$93.8	\$12
1998	919,800	12,205	762	329.1	4,249	\$7.2	\$33.4	\$42,383	\$86.0	\$12
1999	937,200	11,444	786	332.1	4,563	\$7.7	\$35.9	\$42,900	\$85.4	\$16
2000	954,100	10,593	818	343.3	5,639	\$8.7	\$39.2	\$43,998	\$91.1	\$18
2001	974,700	14,107	849	346.5	5,136	\$8.9	\$40.3	\$42,028	\$89.1	\$18
2002	987,000	6,045	877	351.1	5,609	\$9.0	\$38.6	\$39,151	\$85.9	\$18
2003	997,859	4,910	893	358.7	5,495	\$9.3	\$39.1	\$38,214	\$85.3	\$18
2004	1,009,104	5,321	908	363.1	5,357	\$9.9	\$41.6	\$39,072	\$85.9	\$19
2005	1,020,325	5,387	925	367.5	5,856	\$10.4	\$43.9	\$39,715	\$87.0	\$19
2006	1,031,400	5,357	941	372.4	5,885	\$11.0	\$46.7	\$40,708	\$88.4	\$20
2007	1,042,105	5,087	954	377.4	5,636	\$11.5	\$48.9	\$41,096	\$89.8	\$21
2008	1,052,647	4,981	964	382.2	5,491	\$12.0	\$51.8	\$41,980	\$91.3	\$21
2009	1,063,068	4,789	976	386.9	5,491	\$12.6	\$54.9	\$42,965	\$93.0	\$22
2010	1,073,447	4,700	986	391.7	5,455	\$13.3	\$57.9	\$43,664	\$94.8	\$23
2011	1,084,517	5,438	1,003	396.5	5,303	\$14.0	\$61.1	\$44,311	\$96.9	\$24
2012	1,095,854	5,807	1,016	401.3	5,234	\$14.7	\$64.2	\$44,832	\$99.0	\$24
2013	1,105,929	4,703	1,034	406.1	5,319	\$15.3	\$67.1	\$45,045	\$101.3	\$25
2014	1,114,634	3,519	1,041	410.9	5,318	\$15.9	\$70.3	\$45,561	\$103.5	\$25
2015	1,122,164	2,459	1,058	415.6	5,384	\$16.5	\$73.8	\$46,258	\$105.7	\$25
2016	1,129,415	2,259	1,073	420.3	5,460	\$17.2	\$77.5	\$46,949	\$108.1	\$25
2017	1,136,369	1,955	1,098	425.0	5,489	\$18.1	\$81.6	\$47,728	\$110.8	\$25
2018	1,143,186	1,818	1,114	429.7	5,532	\$18.9	\$86.1	\$48,705	\$113.4	\$26
2019	1,150,051	1,865	1,130	434.5	5,575	\$19.9	\$91.0	\$49,763	\$116.0	\$26
2020	1,156,936	1,885	1,148	439.3	5,679	\$20.8	\$95.8	\$50,763	\$118.6	\$26

- Retail sales are forecast to rise an average 2.5 percent per year between 2003 and 2008. The rate of growth during the 1997 to 2002 period was 2.6 percent per year. Consumer spending has never subsided much

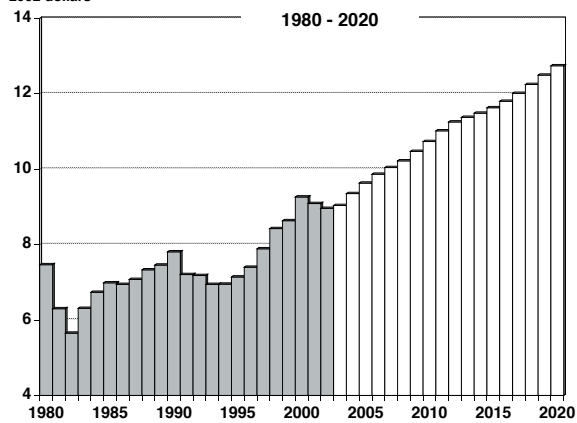
in the county or the Bay Area in general, despite the weakness of the technology sector since the latter part of 2000.



Total Wage & Salary (000)	Farm (000)	Mining & Construction (000)	Manufacturing (000)	Transportation, Utilities (000)	Wholesale, Retail Trade (000)	Finance, Real Estate (000)	Services (000)	Government (000)
-----employment (jobs)-----								
292.7	1.0	19.7	26.6	20.3	66.7	26.7	86.7	45.1
297.7	1.0	20.5	26.0	19.8	68.1	26.0	91.1	45.3
310.8	1.1	22.1	26.0	20.4	68.7	27.9	98.9	45.6
317.6	0.9	23.3	25.6	20.1	70.2	28.1	103.8	45.5
326.6	1.3	26.2	24.4	19.9	72.7	28.5	106.3	47.2
338.3	2.2	28.0	26.3	19.6	73.9	28.5	111.3	48.5
343.8	2.4	29.7	25.9	19.6	74.7	29.1	113.3	49.1
347.8	2.5	28.7	26.1	20.3	74.4	29.2	116.1	50.6
350.8	2.5	28.1	25.7	20.5	74.7	29.3	118.2	51.8
356.8	2.5	28.2	25.7	20.7	75.2	29.4	122.1	53.0
364.0	2.4	28.7	25.4	20.9	75.8	29.6	127.0	54.2
371.8	2.4	29.4	25.0	21.1	76.4	29.9	132.2	55.4
378.3	2.4	30.0	24.6	21.3	77.2	30.3	136.0	56.5
386.2	2.4	30.6	24.6	21.5	77.9	30.8	140.8	57.7
393.7	2.4	31.1	24.7	21.7	78.7	30.6	145.9	58.7
400.1	2.4	31.5	24.4	21.9	79.6	30.7	150.0	59.7
406.6	2.4	32.0	24.4	21.3	80.5	30.5	154.9	60.7
413.3	2.4	32.6	24.1	21.1	81.3	30.5	159.8	61.6
418.8	2.3	32.8	23.7	20.8	82.2	30.3	164.2	62.5
424.6	2.3	32.9	23.3	20.7	83.0	30.6	168.5	63.3
430.2	2.3	32.9	23.3	20.6	83.8	30.7	172.5	64.1
435.4	2.3	32.8	22.6	20.5	84.6	30.9	176.7	64.9
442.5	2.3	32.9	22.0	20.2	85.4	31.1	182.9	65.7
447.6	2.3	32.9	21.7	19.8	86.2	31.4	186.8	66.5
452.4	2.3	33.0	21.2	19.5	87.0	31.8	190.2	67.3
458.2	2.3	33.0	21.1	19.4	87.8	31.6	194.7	68.2

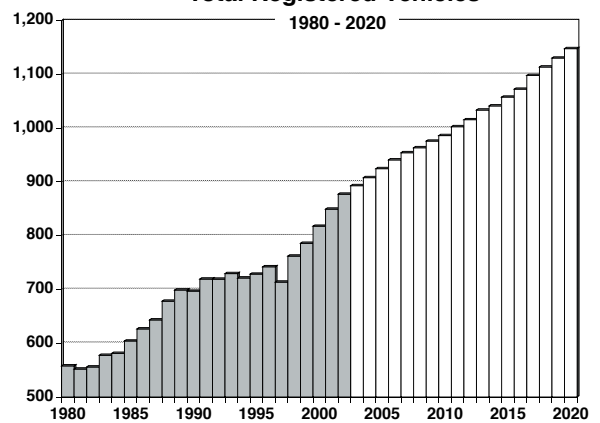
billions of
2002 dollars

Real Taxable Retail Sales



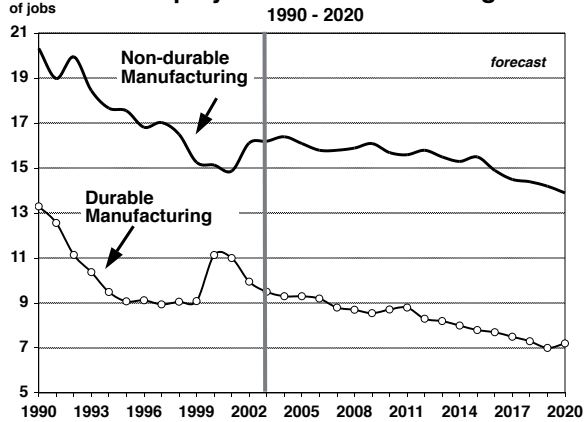
thousands of
vehicles

Total Registered Vehicles



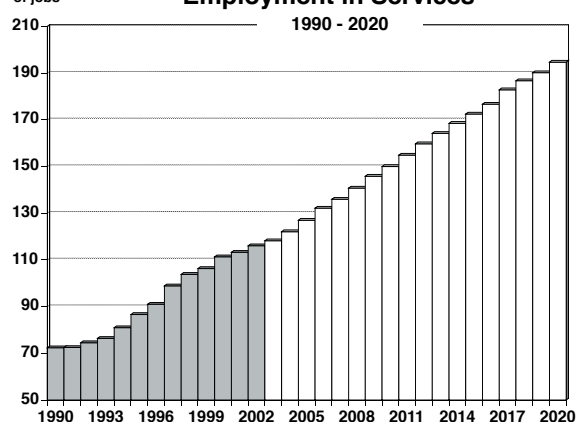
thousands of
jobs

Employment in Manufacturing



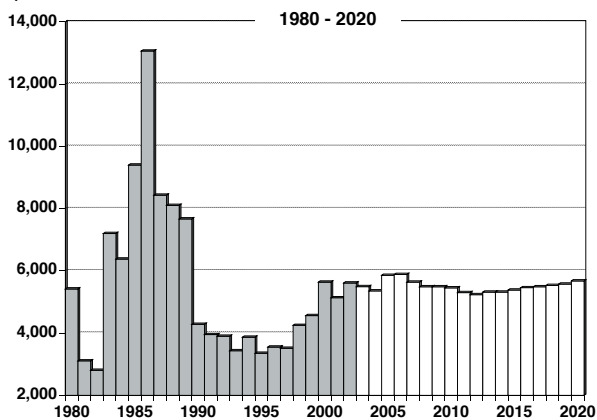
thousands of
jobs

Employment in Services



units
permitted

New Residential Units



2002 dollars
per worker

Real Earnings per Worker Contra Costa County and California

